

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013**

**SESSION LAW 2014-83
HOUSE BILL 1044**

**AN ACT TO MAKE CHANGES TO THE AVERASBORO TOWNSHIP TOURISM
DEVELOPMENT AUTHORITY.**

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 142 of the 1987 Session Laws, as amended by Part XII of S.L. 2001-439, reads as rewritten:

"Section 1. Occupancy Tax. – (a) Authorization and Scope. – The Harnett County Board of Commissioners may levy a room occupancy tax in an amount not to exceed three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within Averasboro Township that is subject to sales tax imposed by the State under G.S.105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious institutions or organizations.

(a1) Additional Occupancy Tax. – In addition to the tax authorized by subsection (a) of this section, the Harnett County Board of Commissioners may levy a room occupancy tax of three percent (3%) of the gross receipts derived from the rental of accommodations taxable under that subsection. The county may not levy a tax under this section unless it also levies the tax under subsection (a) of this section. A tax levied under this section may not become effective before the first day of the second month after the resolution levying the tax is adopted. The levy, collection, administration, and repeal of the tax authorized by this subsection shall be in accordance with this section.

(b) Repealed.

(c) Administration. – For the purpose of levying and administering the tax authorized by this act, Averasboro Township shall be a body politic and corporate and shall have the power to carry out the provisions of this act. The Harnett County Board of Commissioners shall serve, ex officio, as the governing body of the Township, and the officers of the board of commissioners shall serve as the officers of the governing body of the township. A simple majority of the governing body constitutes a quorum, and approval by a majority of those present is sufficient to determine any matter before the governing body, if a quorum is present.

The Harnett County Board of Commissioners, as the governing body of Averasboro Township, shall administer a tax levied under this act. A tax levied under this act shall be levied, administered, collected, and repealed as provided in G.S. 153A-155 as if Averasboro Township were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this act.

(d) Repealed.

(e) Distribution and Use of Tax Revenue. – The township shall, on a ~~quarterly~~ monthly basis, remit the net proceeds of the occupancy tax to the Averasboro Township Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote travel and tourism in Averasboro Township and shall use the remainder for tourism-related expenditures.

The following definitions apply in this subsection:

- (1) Net proceeds. – Gross proceeds less the cost to the township of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred thousand dollars (\$500,000) of gross proceeds collected each year and one percent (1%) of the remaining gross receipts collected each year.



- (2) Promote travel and tourism. – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. The term includes administrative expenses incurred in engaging in the listed activities.
- (3) Tourism-related expenditures. – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, or convention facilities in a township or to attract tourists or business travelers to the township. The term includes tourism-related capital expenditures.

(f) Repealed.

(g) Repealed.

"**Sec. 2.** Tourism Development Authority. – (a) Appointment and membership. – When the board of commissioners adopts a resolution levying a room occupancy tax under this act, it shall also adopt a resolution creating an Averasboro Township Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. There shall be ~~seven~~nine members of the Authority as follows:

- (1) Three members, appointed by the Authority from applications submitted to the Authority, each of whom is a hotel, motel, or bed and breakfast operator from Averasboro Township.
- (2) One individual currently active in tourism promotion and who does not own or operate a hotel, motel, or other taxable tourist accommodation, to be appointed by the Authority from applications submitted to the Authority.
- (3) One individual currently active in tourism promotion and who does not own or operate a hotel, motel, or other taxable tourist accommodation. This individual will be the President of the Dunn Area Chamber of Commerce or a designee to be appointed by the Board of Directors of the Dunn Area Chamber of Commerce.~~Two members appointed by the board of commissioners from nominations submitted by the Dunn Area Chamber of Commerce, one who is a hotel or motel operator from Averasboro Township and one who is a representative of the travel industry;~~
- ~~(2)~~(4) The Harnett County Manager, to serve ex officio;~~officio.~~
- ~~(3)~~(5) The A Harnett County Commissioner representing Averasboro Township, to serve ex officio;~~officio.~~
- (4) ~~The President of the Dunn Area Chamber of Commerce, to serve ex officio;~~
- (5) ~~The Vice President of Economic and Industrial Development of the Dunn Area Chamber of Commerce, to serve ex officio; and~~
- (6) The City Manager of the Town of Dunn, to serve ex officio.
- (7) A city council member of Dunn, appointed by the Dunn City Council, to serve ex officio.

~~The members appointed by the board of commissioners shall serve for a term of one year; vacancies~~Vacancies shall be filled in the same manner as the initial appointments. All of the members, including those who serve ex officio, shall be voting members of the Authority. A majority of the members shall constitute a quorum for the transaction of business and an affirmative vote of the majority of the members present at a meeting of the Authority shall be required to constitute action of the Authority. The board of commissioners~~Authority shall designate one member of the Authority as chair and one member of the Authority to serve as vice-chair and shall determine the compensation, if any, to be paid to members of the Authority.~~

The Authority shall meet monthly or at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for ~~Harnett County~~the City of Dunn shall be the ex officio finance officer of the Authority.

(b) Duties. – The authority shall develop, promote, and advertise travel and tourism in Averasboro Township, sponsor tourist-oriented events and activities for Averasboro Township, operate and maintain museums and historic sites throughout Averasboro Township, and purchase, operate, ~~and maintain a convention facility for Averasboro Township.~~Township, and finance tourist-related capital projects in Averasboro Township.

(c) Reports.— The Authority shall report quarterly and at the close of the fiscal year to the board of county commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

"Sec. 3. This act is effective upon ratification."

SECTION 2. This act is effective when it becomes law and applies to the distribution of the net proceeds of the occupancy tax on or after the earlier of October 1, 2014, or the date specified in a resolution adopted in accordance with this act.

In the General Assembly read three times and ratified this the 25th day of July, 2014.

s/ Tom Apodaca
Presiding Officer of the Senate

s/ Thom Tillis
Speaker of the House of Representatives